

16 February 2026

Independent Communications Authority of South Africa

Attention: Mr Peter Mailula
350 Witch-Hazel Ave
Eco Point Office Park, Eco-Park Estate
Centurion

By Email: iecns-inquiry@icasa.org.za

CC: pmailula@icasa.org.za

Dear Mr Mailula

SUBMISSION - NOTICE OF INTENTION TO CONDUCT AN INQUIRY INTO NEW INDIVIDUAL ELECTRONIC COMMUNICATIONS NETWORK SERVICE LICENCES

1. INTRODUCTION AND GENERAL COMMENTS

- 1.1. Liquid Telecommunications South Africa trading as Liquid Intelligent Technologies (LIT) is a business of Cassava Technologies, a pan-African technology group present in more than 20 countries, mainly in sub-Saharan Africa.
- 1.2. LIT has firmly established itself as the leading provider of pan-African digital infrastructure with an extensive fibre broadband network covering over 110,000 km, leveraging its digital network to provide Cloud and Cyber Security solutions through strategic partnerships with leading global players.
- 1.3. LIT is a comprehensive technology solutions group that provides customised digital solutions to public and private sector enterprises and SMEs across the continent.
- 1.4. LIT welcomes the opportunity to comment on the Authority's **notice of intention to conduct an inquiry into new individual electronic communications network service licences which was published on 25 November 2025** and notes its interest in participating in any future inquiries in relation to the Licensing Framework for I-ECS & I-ECNS and any possible regulatory measures that may be introduced, including public hearings and/ workshops.
- 1.5. LIT's response to each of the questions that have been posed by the Authority follows below:

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2. SECTION 1: TRANSFER OF INDIVIDUAL I-ECNS AND I-ECS LICENCES FRAMEWORK

2.1. Question 1.1:

What are your views on the current licensing framework in relation to the sale and transfer of I-ECNS and I-ECS licences? Does it promote competition?

Under Section 13 of the ECA Act 36 of 2005 (as amended), I-ECS and I-ECNS licenses cannot be sold/transferred or have their control changed without ICASA's prior written approval. ICASA evaluates such applications based on:

- i. whether it's in consumer's interests,
- ii. whether the change will promote competition, and
- iii. whether there's adequate equity ownership by historically disadvantaged persons.

While Liquid does not oppose the existing licensing framework concerning the sale and transfer of Individual licenses, it seems that ICASA takes years to finalise such applications. This is primarily supported by Government Gazette No. 53719, dated 25 November 2025, which states that **"as of 31 October 2025, the Authority had approved a total of 171 applications for the transfer of ownership and control of I-ECNS and I-ECS licenses since the 2008/09 financial year (an average of 10 applications per year). The majority of the approved applications were transferred as pairs of I-ECNS and I-ECS licenses"**.

Consequently, Liquid is of the view that the existing Individual licensing framework serves as a limited promoter of competition. In summary, the current process lacks the agility necessary to facilitate license transfers that could aid potential new entrants and support network expansion. This situation hinders wider competition and stifles innovation.

2.2. Question 1.2:

In your view, should the Authority intervene in the current sale and transfer market to facilitate the purchase of existing licences? If yes, to what extent should the Authority intervene? Please motivate your response by providing reasons and any supporting evidence or data.

Yes – however, the Authority ought to engage in a focused and proportionate manner instead of resorting to heavy-handed intervention. In brief, the Authority need to intervene smartly to:

- stop licence warehousing;
- align transfers with public-interest outcomes; and
- prevent anti-competitive consolidation

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Moreover, the Authority should not depend solely on case-by-case to fix a structural policy problem. Again, the Authority should not try to regulate sales transactions between willing sellers willing buyers, as this could potentially hinder investment and deter network growth.

However, Liquid is in support of the existing regulatory intervention on the administration-transfer costs by ICASA. But, it is proposed that the Authority conduct a Regulatory Impact Assessment (RIA) comparing the administrative costs and market distortions of the current Section 13 (ECA) transfer process against a notification-based General Authorisation systems of other regions such as UK and EU.

2.3. Question 1.3:

What other considerations or interventions would be useful for the Authority to consider regarding the effectiveness and efficiency of the current sale and transfer licensing framework so as to promote competition?

In addition of the proportionate ways suggested in question 1.2 above, it is our submission that the Authority should consider setting agile approval timelines and annually publishing data on:

- i. Licence valuations;
- ii. Common conditions imposed; and
- iii. Issue guidelines about how it assesses transfers applications, to reduce uncertainty and regulatory arbitrage (that's in addition of the effective Processes and Procedures Regulations for Individual Licenses).

By implementing such measures, the Authority will successfully and efficiently reduce entry barriers. Furthermore, while these tools encourage competition, they will significantly aid the Republic in closing the digital divide.

3. SECTION 2: THE DEMAND FOR NEW INDIVIDUAL ECNS LICENCES

3.1. Question 2.1:

In your view, are there sufficient market opportunities to justify issuing new I-ECNS and I-ECS licences? Please motivate your response.

The Authority through Government Gazette No. 53719, dated 25 November 2025, reported the total number of issued Individual licences as follows:

	I-ECNS	I-ECS
Total no. of licenses	470	458

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While, Liquid does not dispute the existence of ample market opportunities that warrant the issuance of new licenses. It is our submission that the Authority, through its compliance monitoring regulatory frameworks, should formulate fact-based evidence regarding the dormant and speculative licenses to ascertain whether there is a need for the issuance of new individual licenses and/or if there are sufficient available licences obtainable through Section 13 of the ECA Act processes. By doing so, it will aid the Authority in making informed decisions regarding the issuance of new licenses vice versa the sale and transfer process (Section 13).

3.2. Question 2.2:

Have you, or are you aware of any licensee or interested party who has, considered, or is considering launching or expanding network infrastructure or providing services in South Africa? What technologies, network architecture and/or spectrum frequencies do you think would be appropriate for any new I-ECNS licensees? Please provide examples or evidence of where possible.

In addition to those that are in the public domain, Liquid is not aware of any others. Furthermore, our understanding of their own technologies is limited, including the capacity of the spectrum frequencies required for provision of their own services.

3.3. Question 2.3:

If you are an existing licensee, did you acquire your I-ECNS and or I-ECS licences through the sale and transfer market (i.e., bought from another licensee) or did you obtain them directly from the Authority (not through transfer or change of ownership)? If acquired from the secondary market, please provide details on your experience.

Liquid Telecommunications South Africa (Pty) Ltd acquired its licence/s through Transfer of Control Process (i.e. Section 13) approved by the Authority in the year 2016.

3.4. Question 2.4:

If you have/had I-ECNS and/or I-ECS licences, have you been approached or have you received unsolicited or solicited interest from an interested buyer to acquire your licence? Please elaborate and provide as much information as possible, if applicable.

None

3.5. Question 2.5:

If you have I-ECNS and/or I-ECS licences and are not intending to sell your licence(s) in the next 3 - 5 years, please describe the infrastructure used (mobile, fixed, satellite or combination). Provide a list of services that you currently provide and whether those are provided to private consumers and/or businesses/organisations (or both where appropriate)?

Not applicable

3.6. **Question 2.6:**

Are there any additional points that you think would be useful for the Authority to consider regarding the demand for I-ECNS and I-ECS licences?

None

4. SECTION 3: WHETHER NEW I-ECNS LICENCES WILL PROMOTE COMPETITION

4.1. **Question 3.1:**

In your view, do you believe that new I-ECNS licences will promote or improve competition in the market? Please substantiate your answer.

Subjects to our submission in question 2.1 (above) in relation to possible dormant licenses in absence of a fact-based demonstrative usage of the existing total number numbers of I-ECNS (470) and I-ECS (458) licences, Liquid is of the view that by simply issuing more licences under the current framework is unlikely to deliver optimal outcomes. It is essential to implement structural reforms, instead of merely increasing numbers, to tackle entry barriers, minimize administrative delays, and foster sustainable competition

4.2. **Question 3.2:**

If you answered yes to Question 3.1 above, are there any competition issues or concerns that may hinder the effectiveness of such new I-ECNS licences in promoting or improve competition? Please provide evidence or examples.

Refer to comments in question 3.1 above.

4.3. **Question 3.3:**

What regulatory measures, if any, should the Authority consider to remedy the competition concerns you have identified in Question 3.2 above, or to ensure that any new I-ECNS licences compete effectively with the incumbents? Provide examples of the kinds of remedies you would expect to see.

Refer to comments in question 3.1 and 3.2 above as well as comments in questions in Section 1 above.

5. SECTION 4: POTENTIAL CONTRIBUTION TO UNIVERSAL ACCESS AND SERVICE

5.1. **Question 4.1:**

In your view, will new I-ECNS and I-ECS licences contribute to universal access and service within the current electronic communications network and services market? Please explain the mechanisms through which such a contribution may occur. Provide any supporting data, case studies, or examples.

Liquid submits that the goals of universal access may be effectively promoted through proper coordination between the Authority, its respective beneficiary departments or entities, responsible Licensees and other related stakeholders. Furthermore, Liquid suggest that universal access may be properly promoted if the Authority considers unique strengths of technologies, the sharing of infrastructure, and focused interventions, instead of imposing

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uniform obligations on fundamentally distinct network models.

In a nutshell, the Authority should ensure that public interest objectives are not diluted by appropriately ensuring that Licences serve competition, access and the Republic's welfare, not merely transactional efficiency.

5.2. **Question 4.2:**

In your view, how should the Authority incorporate universal access and service obligations into the terms and conditions of new I-ECNS and I-ECS licences to ensure equitable access to communications services across South Africa?

While Liquid under question 4.1 above advocates for appropriate coordinations, the business submits that the traditional "one size fits all" model for Universal Service Obligations (USO) is no longer relevant. It is suggested that the Authority utilize the unique advantages of various technologies:

- i. Satellite: Ideal for providing coverage in rural and remote areas.
- ii. Fibre/5G: Optimal for high-density urban and peri-urban environments.
- iii. Equity Equivalents: Rather than compelling a company that lacks infrastructure focus to excavate trenches, permit them to meet obligations by capitalizing on their strengths in alternative areas or by subsidizing user terminals for underprivileged communities.

6. **SECTION 5: BENEFITS VS COSTS & ENVIRONMENTAL IMPACT**

6.1. **Question 5.1:**

Are there any potential negative consequences associated with the rollout of infrastructure by the new I-ECNS licensees that the Authority should consider?

Liquid wishes to submit that competition is essential across all levels, including infrastructure and services. The regulatory framework must guarantee that investment is viable. We would like to also bring to the Authority's attention Section 21 of the ECA (Guidelines for the rapid deployment of electronic communications facilities) and Section 43 (Obligation to lease electronic communications facilities). In brief, the administrative expenses associated with infrastructure deployment (such as trench duplication and municipal delays) poses a significant obstacle. It is recommended that the Authority support the execution of the rapid deployment guidelines by working in conjunction with other government departments to align wayleaves and standardize processes and fees.

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6.2. **Question 5.2:**

What new or additional benefits, if any, could new I-ECNS licences provide compared to existing licensees? Please provide examples or evidence of potential improvements such as service coverage, infrastructure rollout, technological innovation, competition, or other market and social benefits.

Subject to the Authority's implementation of effective coordination strategies in accordance with the possible challenges highlighted in question 5.1 above, Liquid asserts that both new entrants and established players will contribute to enhancing the Quality of Services and closing digital divides within the Republic. This will significantly benefit the nation in advancing its digital economy.

7. SECTION 6: ANY OTHER COMMENTS

7.1. **Question 6.1:**

Do you have any additional comments regarding this Inquiry process that you would like the Authority to consider?

While the review and amendment of the ECA Act does not fall within the scope of the Authority, Liquid submit that the ECA has effectively served South Africa; however, it necessitates modernisation to align with convergence, digitalization, and the development of new network architectures. Moreover, Liquid advocates for a gradual reform strategy that:

- i. enhances collaboration among ICASA, the Competition Commission, the DCDT, and other pertinent regulatory authorities; and
- ii. facilitates regulation that is forward-looking without imposing strict technological limitations.

8. CONCLUSION

8.1. LIT welcomes the Authority's notice of intention to conduct an inquiry into new I-ECNS licences and appreciates the opportunity to make written submissions in this process.

8.2. LIT supports a transparent, fair, and evidence-based regulatory framework that promotes competition, investment, and innovation in the telecommunications sector.

8.3. We trust that our submissions herein contribute positively to the Authority's initiative.

Yours faithfully



Valencia Risaba
Chief Corporate Affairs Officer